

August 22, 2007

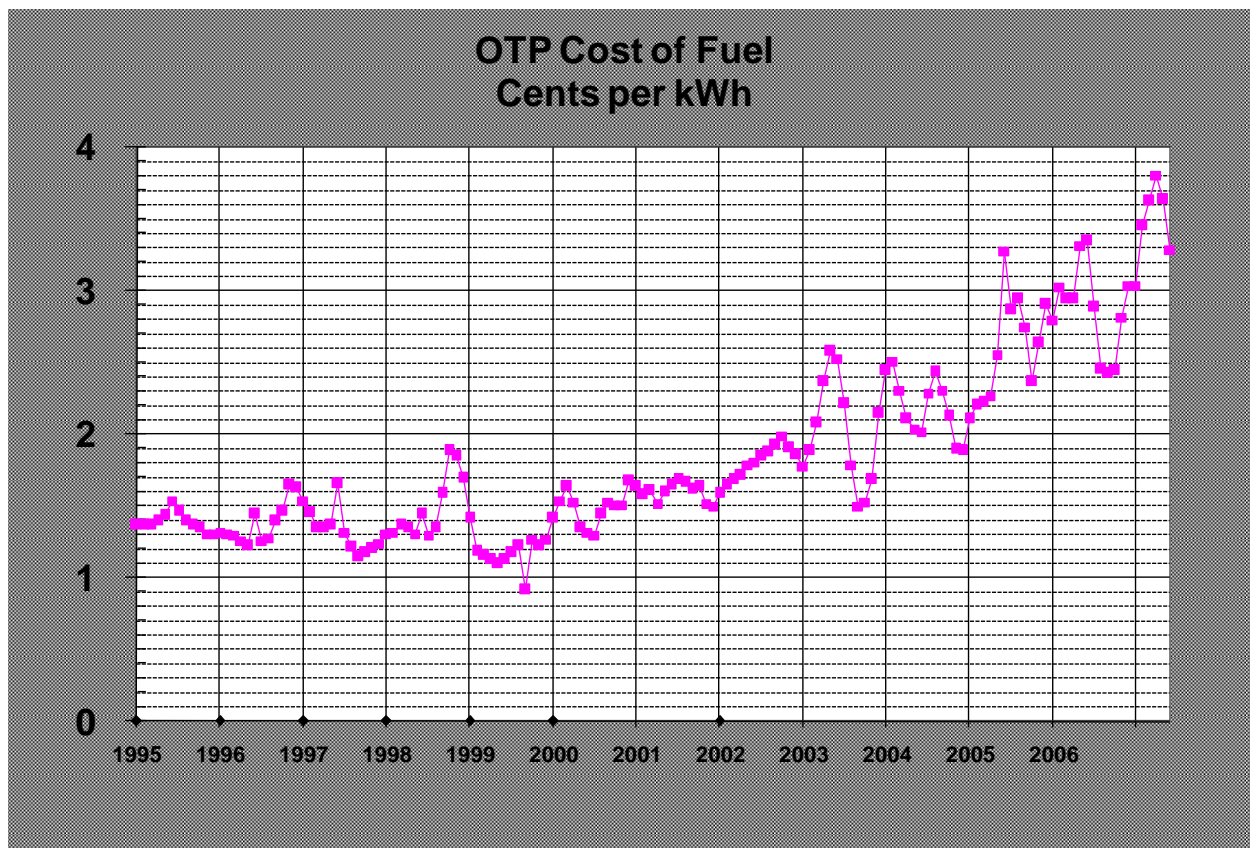
**Otter Tail Corporation  
August 2007  
Fuel Cost Adjustment**

**Case No. PU-07-544**

Otter Tail Corporation decreased its electric fuel cost adjustment by 0.35 cents per kWh from 1.99 cents per kWh. The resulting fuel cost adjustment for the month of August is 1.64 cents per kWh.

Combining Otter Tail's fuel cost adjustment with its 1.65 cents per kWh base cost of fuel already included in base tariff rates brings Otter Tail's total average cost of fuel and purchased energy for billing during the month of August to 3.29 cents per kWh as shown on the graph below.

As a result of this change, the electric bill for an Otter Tail residential customer consuming 750 kWh per month will decrease by \$2.63 for bills rendered in the month of August.



JRL